



[4830-01-p]

DEPARTMENT OF THE TREASURY

Internal Revenue Service

26 CFR Part 1

[TD 9751]

RIN 1545-BN22

PATH Act Changes to Section 1445; Correction

AGENCY: Internal Revenue Service (IRS), Treasury.

ACTION: Correcting amendment.

SUMMARY: This document contains corrections to final regulations (TD 9721) that were published in the **Federal Register** on Friday, February 19, 2016 (81 FR 8398). The final regulations are regarding the taxation of, and withholding on, foreign persons upon certain dispositions of, and distributions with respect to, United States real property interests (USRPIs).

DATES: This correction is effective **[INSERT DATE OF PUBLICATION IN THE FEDERAL REGISTER]** and is applicable on or after February 19, 2016.

FOR FURTHER INFORMATION CONTACT: Milton M. Cahn or David A. Levine of the Office of Associate Chief Counsel (International) at (202) 317-6937 (not a toll-free number).

SUPPLEMENTARY INFORMATION:

Background

The final regulations (TD 9751) that are the subject of this correction are under section 897 and 1445 of the Internal Revenue Code.

Need for Correction

As published, the final regulations (TD 9751) contain errors that may prove to be misleading and are in need of clarification.

List of Subjects in 26 CFR Part 1

Income taxes, reporting and recordkeeping requirements.

Correction of Publication

Accordingly, 26 CFR Part 1 is corrected by making the following correcting amendments:

PART 1 - INCOME TAXES

Paragraph 1. The authority citation for part 1 continues to read in part as follows:

Authority: 26 U.S.C. 7805 * * *

Par. 3. Section 1.1445-5 is amended by revising the last sentence of paragraph (b)(3)(ii)(A) to read as follows:

§1.1445-5 Special rules concerning distributions and other transactions by corporations, partnerships, trusts, and estates.

* * * * *

(b) * * *

(3) * * *

(ii) * * *

(A) * * * In general, a foreign person is a nonresident alien individual, foreign corporation, foreign partnership, foreign trust, or foreign estate, but not a qualified foreign

pension fund (as defined in section 897(l)) or an entity all of the interests of which are held by a qualified foreign pension fund.

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